SE LEP Business Case –
Chatham Town Centre place-making and public realm package

SMALL SCHEMES

EXECUTIVE SUMMARY OF BUSINESS CASE

For

CHATHAM TOWN CENTRE PLACE-MAKING AND PUBLIC REALM PACKAGE

Please note that this proforma is designed to collect key information about the project. The scheme promoters are encouraged to attach any additional supporting information to this business case proforma.

Project type (rail, road, LSTF, integrated package, maintenance etc.): Integrated Package
Type of bid: Small
Large Project (total project cost exceeds £15m)
Medium Project (total project cost is between £8m and £15m)
Small Project (total project cost is below £8m)
Project Location: Chatham town centre
Project start date: 31/03/2015
Project complete date: 31/07/2017
Project development stage (inception, option selection, feasibility, detailed design, implementation): Feasibility
Promoting authority(ies) name: Medway Council
Project Manager's name and position: Sunny Ee, Chatham Regeneration Project Manager
Project Manager's contact phone number: 01634 331030
Project Manager's email address: sunny.ee@medway.gov.uk

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The Strategic Case

1. PROJECT DESCRIPTION

1.1. Purpose

This scheme delivers public realm and accessibility improvements on an important gateway into a regional business centre. The scheme improves the links between Chatham railway station and Chatham centre and waterfront area, resulting in improved access from the station to large areas of employment, retail and education in the town centre and beyond, particularly for people with mobility difficulties. It will also provide an attractive gateway to the regional centre of Medway for visitors, employees, students (circa 10,000 between 5 HE and FE providers) and residents, and enable the growth of a night time economy.

1.2. Brief description

Chatham is a centre of regional importance. This project delivers place-making improvements along a 0.5km corridor between Chatham railway station and Chatham centre where significant growth is planned. The scheme includes the provision of a new Civic Square in the heart of Chatham and the wider Medway, and gateway improvements at Chatham station. The scheme will include improved walking and cycling routes, hard and soft landscaping, traffic management measures, directional signage, way-marking and public art.

This project will build on the recently completed major schemes already delivered in Chatham town centre that have significantly contributed to the regeneration of the area. These include the new high quality Chatham Waterfront Bus Station, the demolition of Sir John Hawkins Flyover (that crossed the High Street presenting poor public realm) and the reconfiguration of Chatham's road network to improve linkage to the river, which incorporates high quality materials and landscaping.

This project also links to other SEP projects for Chatham Waterfront area, including:

- Chatham Waterfront Development Site (CWD), a brownfield site with plans for up to 140 residential units and 2,500sqm of commercial space. Growing Places Funding has been granted to the Council to acquire the various interests and market the site for development.

- River Walk Works, a scheme extending and renewing the existing river walk connected to the CWD site and the proposed civic square, reconnecting the town centre to its greatest asset. This includes introducing high quality materials on the river walk including Tegula set surfacing, a new lighting scheme and pooling Council and local Police services to ensure access to the river walk is a safe and pleasant experience for users.

- Sun Pier and Pontoon, the refurbishment of the existing pier and installation and use of a new pontoon for river users. The intention is to create a focal point and destination from the town centre and proposed civic square. A number of river boat trips already launch from the pontoon, improving the legibility and wayfinding from the station and civic square will compliment this place-making for the river front.

- Command of the Heights, Chatham has a rich naval and military history that begins in the heart of the town centre. The Council is preparing a bid for the Heritage Lottery Fund (HLF) to restore an historic ditch from the proposed Civic Square to the Napoleonic Fort Amherst.

- The Big Screen, a 54sqm digital screen in the proposed civic square to create another focal point, showing national and local news, information and services with a proactive programme of one off events including concerts, festival, films and sporting events.

1.3. Strategic context

The Chatham Centre and Waterfront Development Framework (2008) plans for the growth of 6,271 jobs and 3,682 residential units in the centre of Chatham. The framework identified the need for gateway improvements to Chatham Station and its surrounding environs. The recently completed works to Chatham Centre including the new Chatham Waterfront Bus Station and changes to the road layout, have been instrumental in improving the public realm and public transport offer. There are now key elements of transport that need to be addressed to continue this regeneration. Follow link to information on the framework:

http://www.medway.gov.uk/PDF/chatham_centre_and_waterfront_dev_brief_summary_leaflet-2.pdf

This place-making scheme will significantly contribute to the delivery of identified employment and housing sites in Chatham centre.

The Medway Local Transport Plan 3 came into effect on 1 April 2011 following approval of Full Council. This project links closely to all the five priorities set out in Medway's Local Transport Plan 2011/2026:

- Regeneration, economic competitiveness and growth – by providing a more reliable and efficient local transport network. Key actions include encouraging walking and cycling for short journeys, which incorporates delivering place-making and improving public realm improvements.
- Connectivity – by ensuring Medway has good quality transport connections to key markets and major conurbations in Kent and London. Key actions include improving the gateway function on Chatham station and encouraging commuters to cycle to railway stations.
- Natural environment – by contributing to tackling climate change and improving air quality. Key actions include encouraging walking and cycling for short journeys, and a more efficient management of the highway network.
- Equality of opportunity – by supporting equality of opportunity to access employment, education, goods and services for all residents of Medway. Key actions include improving accessibility for people with mobility difficulties by improving pedestrian crossing facilities.
- Safety, security and public health – by promoting active lifestyles and reducing the risk of death, injury or ill health or being the victim of crime. Key actions include road safety interventions, improved pedestrian access to local facilities and encouraging cycling.

The South East Local Enterprise Partnership's bid for Local Growth Funding reflected the aspirations set out in LTP3, with the proposed funding and delivery plan defined within the shorter-term implementation plan.

The project links directly to the Council Plan for Medway, by significantly contributing to one of the four main priorities to 'Everyone benefitting from regeneration'. The overarching scheme objectives link directly to Medway Council's priorities set out in the Council Plan. Overarching scheme objectives are:

- **Economic benefits** to local town centre businesses through place-making and improved public realm leading to increased pedestrian foot fall, thereby encouraging increased business investment.
- **Connectivity improvements** – Removal of the disconnect in the public realm between Chatham railway station and the centre of Chatham.
- **Reputational improvements** to Chatham town centre as a thriving town centre community.
- **Addressing interdependence** with other related growth projects

1.4. Stakeholder awareness

Stakeholders have been made aware of the proposed public ream improvements in Chatham through the Chatham town centre forum. The method of engagement and consultation with stakeholders through the

detailed design and delivery of the project is detailed in the Communication and Stakeholder Management Strategy at Section 8.1: Management case – Delivery.

Information in Section 8 shows the engagement approach to be used for various different stakeholders and interest groups.

1.5. Powers and consents

Medway Council has the powers of both Highway Authority and Planning Authority. The majority of the works do not require planning consent as they are either on public highway, amenity space or railway land.

Medway Council is working in partnership on the station gateway improvements with Network Rail and Southeastern, who have the appropriate powers to deliver the work-stream on Network Rail land. Any consents for works on railway land will be obtained by Network Rail.

Case for Change

2. BUSINESS NEEDS / REASONS

Chatham centre and waterfront does not yet have all the attributes of a thriving and vibrant centre of a forward-looking and successful city. There is a severe lack of connectivity between the town centre and the railway station that is confusing for new visitors. The level of public realm space in the area is also of poor quality, including sub-standard materials and narrow, pinched pavements. This requires future investment to enable the necessary transformation that will enable Chatham reach its full potential as a thriving regional centre.

Chatham railway station is Medway's busiest station, being used as either an origin or destination for over 2.86 million rail trips in 2011/12 (Source - Office of the Rail Regulator). There is a high pedestrian flow to and from the station. An analysis of the passenger survey data from the DfT's National Rail Travel Survey shows that 33% of the users of Chatham railway station who live in the local area arrive on foot. For non-local users who use Chatham as a destination, 74% of the passengers arriving at the station continue their journey on foot. The main destination for people who arrive in Chatham by rail is the town centre and the employment locations in the Chatham Dockyard area; these are the focus of growth sites. People walking to these destinations will travel on foot through the entire length of the place-making scheme, that is currently poor quality and incoherent.

Despite a relatively large number of potential development sites around the town centre, the actual delivery of these sites has been hampered by both the national housing crisis and the lack of significant investment in the key arrival areas in Chatham of the railway station, railway station to bus station pedestrian link, and civic square.

The location of land allocation in Medway is detailed in the Medway SLAA – see page 16 for details of sites in Chatham; weblink to SLAA:

http://www.medway.gov.uk/planningandregeneration/planningpolicy/strategiclandavailability.aspx

Indications of a slow economic recovery outside of London further the need for investment in areas such as this, and essentially for Medway the Chatham bus to railway station corridor and civic square. This will create the catalyst for an uplift in the local housing market. The Council has been in discussion with a number of developers on the ground regarding various sites around the town centre. There is nervousness on their part around the consumer demand for housing in Chatham with the big issues being the lack of connectivity from the station, the lack of a central civic focal point and the poor quality public realm.

In addition, there has been strong support from the business community in Chatham Town Centre who have identified the poor linkages between the railway station and the town as a potential barrier to future growth. There has also been support from South Eastern Trains in this regard – See Appendix A.

- ***Outline the rationale for making the investment with reference to the problems with the status quo.***

Medway Council has made significant progress in improving transport links within Medway, as detailed in point 1, as part of Medway wider Local Development Plan. This scheme not only links into other SEP projects and schemes that are already in train, but also addresses a key issue with the current position in Chatham, the quality and connectivity of the central pedestrian route in the town centre. If left unaddressed the benefits of those improvements already invested in, and the future benefits of developments to come, may not be fully realised.

- ***What evidence is there of need for the project?***

In addition to the DfT national rail survey data and Office of Rail Regulator data detailed in point 2 that confirms Chatham town centre as essential hub and centre for travel in Medway, the 2014 results of the National Highways and Transport Network Survey (NHT) confirmed public realm and local bus services as the most important local transport aspects to Medway residents. The survey was provided to a minimum of 3,300 Medway residents; when asked to confirm which three facets of local public transport were most important, pavements and footpaths ranked second with 18% of the total count, and local bus services ranked fourth with 14% of the total count. When asked which element is most in need of improving, the second highest response with 18% of the total count was pavements and footpaths. The survey also revealed that public satisfaction with pavements and footpaths, including accessibility facilities, is only 55%, lower than comparable Unitary Authorities.

In April 2014 a postal survey was sent to all members of the Medway Citizens Panel. Of the 1,081 members who received the survey, 573 completed and returned the survey. An analysis of the results showed that of Council services, respondents showed the highest level of dissatisfaction with pavement maintenance (40%) and street cleaning/litter (25%). As Medway's more frequently utilised public space, this bears impact on Chatham town centre and the current level of dissatisfaction with is as a prominent public space. When questioned on the issue of economic prosperity, the area of most importance cited in response was "widening the use of and access to the river Medway" (40%). As the focal backdrop to Chatham's Waterfront Bus Station and a key part of Chatham town centre, this scheme aims to greatly improve the access and endorsement of the river Medway in Chatham town centre.

Also, as stated above there has been strong support from the business community in Chatham town centre who have identified the inferiority of the public realm and lack of clear connectivity between Chatham's bus and railway stations as a hindrance to future growth in Chatham.

- ***What impact does the scheme have on releasing the growth or overcoming barriers to growth?***

An overview of the NHT Survey results singled out Medway's local bus services as an excellent example of good practice, referring specifically to the improvements made in read-time information screens at bus stops, excellent public bus maps, and Waterfront Bus Station. As a result Medway Council were the most improved Local Authority in the areas of public transport, walking and cycling, and in the top five performers in tackling congestion and road safety.

However, to ensure that the benefits and growth that these improvements will bring is realised, the public realm area of Chatham town centre that links the Waterfront Bus Station to Chatham train station and the local historic attractions and Chatham High Street requires the improvements outlined here. If these improvements are not made the developmental momentum that the improvements achieved so far will dwindle, and the

accompanying economic growth in tourism, commercial ventures, and the night-time economy will not be attained.

As a potential future city, Chatham will be at the centre point of Medway both geographically and economically. Currently the poor links between Chatham's two key transport hubs is a barrier to efficient and linked-in access to the town centre. A welcoming and connected town centre will ensure that Chatham realises its potential as a new city centre. It will also ensure that the potential social and economic growth that the projects outlined in point 1.2 is achieved as part of Medway Council's Local Development Plan, Chatham town centre being a vital transport hub for linking these schemes and projects together.

- ***What will happen if the proposed project is not funded from LGF?***

Without the necessary LGF funding the proposed improvement to Chatham town centre public realm will not be realised, leaving a disconnect between Chatham's train station, recently established Waterfront Bus Station and Chatham town centre, and accompanying negative public perception of the town centre hub. The town centre realm as it currently stands will become deteriorating asset with the associated future cost liabilities.

- ***Is there a potential to reduce costs and still achieve the desired outcomes?***

The desired outcomes for the scheme, to improve the central Chatham public realm and improve the pedestrian flow and links between Chatham's train station and Chatham town centre will be drastically reduced if the cost of the scheme is reduced. The impact of changes will be much lower with greatly reduced benefits and a potential for the desired outcomes not to be met.

3. BENEFITS

3.1 *Estimate jobs and homes (direct, indirect, safeguarding, construction etc)*

	2015/16	2016/17	2017/18	2018/19	2019/2020	2020/2025	Post 2025	Total
Jobs	0	0	1271	1500	2000	1500		6271
Homes	0	0	682	1400	1000	600		3682

- ***Describe the methodology of how the number of jobs and homes is estimated***

  These figures have been derived through close liaison with the local plans and economic/regeneration team as part of the work done to develop the Core Strategy and emerging Local Plan.

- ***List all main direct and indirect; quantitative and qualitative; cash releasing and non cash releasing benefits associated with the investment***

  This scheme well ensure increased and more efficient pedestrian flow between Chatham town centres to key transportation hubs, the Waterfront bus station, rail station and surrounding historic sites that are a tourist attraction. This ease of flow will present Chatham as more attractive commuter location and viable business opportunity, potential leading to increased investment and employment in the area.

  The improvements to pedestrian flow will also potentially have a positive impact on a shift in transport modes, from car transport to more sustainable foot, cycle, bus and rail movements.

  The improvements to the town centre public will also increase the ambient character and reputation of Chatham town centre, creating a more positive environment for both residents and businesses.

The scheme will also secure valuable future proofing for the town centre, reducing the potential cost of prospective maintenance and repair work to the aging public realm facilities currently in place.

The scheme will improve Chatham railway station as a key gateway into Chatham town centre, thereby demonstrating a town with increased confidence, aspiration and quality.

The scheme improvements will also link with and work in conjunction with other regeneration projects and schemes, both completed and planned (new Waterfront bus station, Sun Pier rejuvenation and accessibility improvements, Medway City Estate accessibility improvements) to ensure that the economic and quality benefits of these schemes are fully realised.

4. SCHEME DEFINITION & OPTIONS APPRAISAL

4.1. Definition of Scope

This business case sets out and justifies a holistic scheme plan for placemaking improvements in Chatham that will address the challenges of poor public realm and a "tired" and degraded urban environment. Measures will include schemes to unlock and facilitate access to major new housing and employment sites. The proposals will support these goals by forming an integrated package of targeted improvements.

4.2. Options Considered

The options considered included:

a) Do nothing
b) Do minimum
c) Do something
d) Do maximum

Option A – Do nothing

Doing nothing would maintain a poor existing economy and environment and is not a viable solution to support the regeneration of the town.

Option B – Do minimum

A relatively minor public realm scheme to improve the route between the railway station and the High Street through a simple review of signs and crossings and some street de-cluttering including:

- Minor alterations to kerb alignments where footways are severely substandard;
- De-cluttering the High Street; and
- Additional pedestrian crossing facilities.

Whilst these measures would improve pedestrian accessibility, they would not notably enhance the environment. Benefits would therefore be extremely limited.

Option C - Do something

Place-making improvements along a 0.5km corridor between the Chatham railway station gateway and Chatham centre, and within the town centre, together with the provision of a new Civic Square in the heart of Chatham and the wider Medway. The scheme will include:

- Gateway improvements at Chatham station.

- Walking and cycling facilities improved along the route from the Chatham station gateway to Chatham centre, in terms of the quality of provision, connectivity and crossing facilities.
- Improvements to hard and soft landscaping along the corridor and within the town centre, including upgrading of the quality of materials in the public domain, the creation of a civic square and improving the appearance of adjoining buildings of architectural historic interest.
- Traffic management measures in the vicinity of Chatham station and the adjoining bus interchange.
- Directional signage and way-marking improvements.
- Public art installations along the route.

This option provides an attractive gateway to the centre of Medway for visitors, employees, students (circa 10,000 between 5 HE and FE providers) and residents, and enable the growth of a night time economy.

Option D – Do maximum

A combination of option C plus gateway improvement to Chatham railway station. Gateway improvement includes improved station building, a re-worked forecourt including improved pedestrian link to the adjacent bus terminus.

4.3. Options Assessment

All the options considered were tested against the five objectives of Medway's Local Transport Plan, the overarching scheme objectives and critical success factors.

The table below provides a summary of the scheme options listed above in terms of the objectives and critical success factors for the scheme.

Summary of Scheme Option Assessment and Sifting			
Reference to:	Options A/B	Option C	Option D
Investment objectives linked to Medway LTP Priorities			
Economic growth	×	✓	✓
Connectivity	×	partial	✓
Natural Environ.	×	✓	✓
Equality	×/ partial	✓	✓
Safety & health	×/ partial	✓	✓
Investment objectives linked to overarching scheme objectives			
Economic prosperity	×	partial	✓
Connectivity	×	✓	✓

Reputational	×	✓	✓
Interdependence	×	✓	✓
Critical Success Factors			
Strategic Fit	×	✓	✓
Economic Prosperity/ Value for Money	×	✓	✓

This assessment demonstrates that option D scores most favourably. Therefore **option D is the preferred option** and forms the basis of this business case.

Option D fits strategically with the Chatham Centre and Waterfront Development Framework (2008), which identified the need for major improvements to Chatham Station and its surrounding environs. The framework identified a package of improvements to facilitate the plans for the growth of 6,271 jobs and 3,682 residential units in the centre of Chatham.

5. RISKS

5.1. Provide a summary of key risks to the delivery of the scheme (including financial, commercial, economic and management).

Financial:
- Best value procurement of necessary consultancy / design / build services not achieved.
- Underestimation of design scheme cost

Commercial:
- Negative public response to proposed scheme design proposals.

Economic:
- Benefits not realised

Management:
- Timetable slippage due to delay in process from planning permission refusal, safety audit result, or technical adoption issue.
- Delay or unsuccessful delivery of scheme due to insufficient management or project resource.

5.2. Risk Assessment

Risk description	**Likelihood**	**Impact**	**Likelihood x Impact**	**Mitigation**
	1=Low, 2=Medium, 3=High			
Delay / refusal of planning permission	1	3	3	Appropriate consultation will take place and necessary timescales factored into scheme timetable
Delay / negative outcome to project	1	3	3	A robust procurement process jointly managed by both transport and category

procurement stages				management officers will ensure a successful procurement outcome.
Delay / amends to scheme forced by technical issues	1	2	2	Appropriate consultation will take place and necessary timescales factored into scheme timetable
Delay caused by diversions / works to utilities	1	2	2	Appropriate consultation will take place and necessary timescales factored into scheme timetable
Delay / design changes resulting from highway safety audits	1	2	2	Appropriate consultation will take place and necessary timescales factored into scheme timetable
Negative public opinion on proposed scheme design	1	2	2	Appropriate consultation will take place and feedback from members included in scheme design where possible.
Delay / unsuccessful delivery due to ineffectual cost management or project delivery resourcing	1	3	3	A robust and inclusive project management team will be assigned to the delivery of the project, with a wide range of cross-cutting skills to reduce the risk of unsuccessful delivery.
Delay in securing funding agreement with network rail	1	3	3	Officers at Medway Council, Network Rail and Southeastern are working together to secure a successful outcome.

5.3. Constraints

The risk assessment has not identified any issues that represent a significant constraint to the delivery of the project.

The recommended option does not require any land acquisition. Discussions with Medway Council planning department indicates that the proposed works have Permitted Development Rights.

No other known constraints have been identified at this stage (technical, environmental, archeological). The work at Chatham station is programmed to be undertaken between 2015/16 and 2016/17.

5.4. Dependencies/Interdependences

Strategically, the project has interdependences with the following growth projects:

- River taxi from Chatham town centre (Sun Pier landing stage) to Medway City Estate. This project forms part of the Medway City Estate Connectivity Improvements LGF project.
- Sun Pier and Pontoon, the refurbishment of the existing pier and installation and use of a new pontoon for river users. This project is complete.
- Chatham Waterfront Development Site (CWD), a brownfield site with plans for up to 140 residential units and 2,500sqm of commercial space.
- Command of the Heights. Chatham has a rich naval and military history that begins in the heart of the town centre. The project restores an historic ditch from the proposed Civic Square to the Napoleonic Fort Amherst.

- River Walk Works, a scheme extending and renewing the existing river walk connected to the CWD site and the proposed civic square, reconnecting the town centre to its greatest asset.

The Economic Case

6. OPTIONS

6.1. Options considered

For this project 4 options were considered in order to achieve the required objectives and outcomes:

1. Do Nothing	*Description*: No action to be taken. *Positive impacts*: There are no positive impacts from taking no action. *Negative impacts*: Taking no action could have detrimental effects on the economy at Chatham town centre and on the local economy of Medway: ▪ As a regional centre, Chatham has a high range of comparison retailers and over 1.3 million sq. ft. gross of retail/service trade floor space. However, it ranks only fourth in the retail hierarchy in Kent. Furthermore, the proportion of vacant units is above the national average and vacancies can be found throughout the shopping centre including in prime retail areas. Most recently, on 28 January Tesco's announced they would be closing their large store in Chatham. There are also relatively few pubs and restaurants in the central area, as opposed to what would be expected from a centre serving a local population of approximately 250,000 people. Without any interventions, Chatham will continue to perform below its potential and allow trade to leak to other centres outside the area; ▪ The lack of business and retail units of suitable quality in Chatham Town Centre is exacerbated by access issues that contribute to the area's decline. Around the periphery of the centre, traffic is frequent and heavy and creates a barrier to unconstrained pedestrian movement. Within the centre, there is a need for a smooth transition between the civic space, the town centre and Chatham Rail Station and a better connected High Street to encourage more pedestrian activity in the area; ▪ The image of the area is of critical importance to the growth prospects of Chatham and Medway. The current city centre does not give an impression of harmony; it is divided, perceived as unsafe particularly at night and lacks diversity. In the absence of any interventions to promote Chatham's image and invest in the tourism / leisure / retail offers, the town will face difficulties in improving the attraction of the area and establishing the area as a popular destination point.
2. Do Minimum	*Description*: Minor improvements to existing public realm features. *Positive impacts*: Whilst any improvement would be beneficial, they would only be minor and be too small to generate any significant benefits. The scheme may make the area feel safer. *Negative impacts*: The negative impacts will be similar to the Do Nothing option since significant improvements would be required to alleviate the issues outlined previously.
4. Do Something	*Description*: A complete review of the route between Chatham railway station and the High Street/ Waterfront area (but not including the station), including some traffic management measures (where appropriate), changes to pedestrian and cycle crossing

	points, a review of all signage and the introduction of a consistent set of place-making/ way-marking codes to allow route consistency and continuity. This would be complimented by a new Civic Square located adjacent to the Waterfront area providing an attractive place for residents, shoppers and businesses to locate and re-linking the town centre to the river and local historic tourist attractions such as Fort Amherst and the Chatham Historic Dockyard. *Positive impacts*: The overall aim of this investment is to create a safe, accessible and inclusive environment with a mix of uses and to link the city centre to the wider area to create a more connected public realm. This will have the following positive impacts: ▪ Deliver economic value: increased tax revenue from higher sale prices of nearby homes and higher retail rents, increased commercial trading from better shopping and leisure facilities that attract more people to the area, potential new business developments and more and better job opportunities; ▪ Increase physical activity: significant health benefits from increased sustainable access (walking and cycling) and ease of movement to and within the city centre and more open green spaces for sporting and other outdoor leisure activities; ▪ Improve safety and reduce crime and fear of crime: savings from fewer road casualties from a more walking-friendly environment and benefits of a safe night time economy from better management of public space; ▪ Deliver social benefits: increased opportunities for social interaction which can facilitate the development of social capital; ▪ Allow better movement in and between places: reconcile the needs of conflicting modes of transport, e.g. pedestrian versus vehicle, while encouraging cycling and walking, reducing levels of traffic and delivering positive environmental impacts. The Medway Local Plan, adopted in 2003, actively promotes Chatham as Medway's 'city' centre. The investment scheme would contribute to the LP's objective to create a major regional centre that can compete effectively with its neighbours and offer a range of facilities for the whole community. The Local Plan also recognises the potential of River Medway and the scheme would address the aim to invest in the river as an opportunity for transport, leisure, nature and tourism. The scheme's objectives are also in line with Medway Waterfront Renaissance Strategy (2004), the Chatham Centre and Waterfront Development Framework (2004) and the Chatham Centre and Waterfront Development Brief (2008). The focal point of these strategies is to revitalise Chatham Centre and Waterfront and transform Chatham into Medway's commercial, cultural and civic heart. *Negative impacts*: The scheme will not deliver any negative impacts (e.g. transport or environmental impacts). Several constraints and considerations were identified and planning for delivery of the scheme will be designed to take account of these constraints (e.g. natural, connectivity, circulation, waste and maintenance, existing plans and guidance).

Do Maximum	*Description:* As Do something plus gateway improvement to Chatham railway station including improved building, a re-worked forecourt and improved pedestrian link to the adjacent bus terminus. *Positive impacts:* As do something, plus the addition of the works at the station significantly improves the gateway into Chatham and directly links to the place-making and public realm improvements planned along the corridor between the railway station and Chatham town centre, which will improve access and footfall to the High Street. It is anticipated that the quality of the gateway improvement at Chatham station will be a significant driver for growth in Chatham. *Negative impacts:* As do something

6.2. Please provide description of the main options for investment, together with their relative advantages and disadvantages (a SWOT analysis)

- **Do nothing / Do minimum**

Strengths: None	**Weaknesses:** - Adverse effect on Chatham town centre economy - Lack of cohesion and connectivity for other related schemes and projects - Inability to address concerns of Medway residents to pathway/accessibility issues in Chatham town centre - Continued disconnect in the public realm and public accessing Chatham train station and bus station
Opportunities: None	**Threats:** - Reduction in Chatham town centre footfall with resultant impact on town centre economy - Possible reduction in bus and rail patronage numbers - Potential loss of town centre businesses with further closure of retail units - Negative reputational impact on Council

- **Do something**

Strengths: - Economic benefits to local town centre businesses through increased appeal to public realm and increased pedestrian foot fall. - Cohesion and connectivity with other related regeneration schemes and projects achieved. - Concerns of Medway residents on pathway/accessibility issues in Chatham	**Weaknesses:** Poor gateway presentation at Chatham railway station

town centre addressed. - Disconnect in the public realm and public accessing Chatham train station and bus station removed.	
Opportunities: - Encouragement of increased business investment in Chatham town centre - Increased rail and bus patronage with accompanying traffic flow, health and environmental improvements - Reduction in on-going maintenance cost of current out-dated public realm facilities.	**Threats:** - Potential negative response to public spending on town centre realm improvements when compared to other public sector resource and funding pressures.

- **Do maximum**

Strengths: - Economic benefits to local town centre businesses through increased appeal to public realm and increased pedestrian foot fall. - Cohesion and connectivity with other related regeneration schemes and projects achieved. - Concerns of Medway residents on pathway/accessibility issues in Chatham town centre addressed. - Disconnect in the public realm and public accessing Chatham train station and bus station removed. - Improved gateway to Chatham at the railway station, which is predicted to improve the potential for growth.	**Weaknesses:** None
Opportunities: - Encouragement of increased business investment in Chatham town centre - Increased rail and bus patronage with accompanying traffic flow, health and environmental improvements - Reputational improvements to Chatham town centre as a thriving town centre community - Reduction in on-going maintenance cost of current out-dated public realm facilities.	**Threats:** - Potential negative response to public spending on town centre realm improvements when compared to other public sector resource and funding pressures.

6.3. Recommended Option:

The recommended option for the Chatham centre place-making improvements is the **Do Maximum**

This option will deliver the most benefit in realising growth in Chatham town centre and help to transform the town into a recognised commercial and cultural centre in Medway. Although it was not possible to fully measure the long-term economic impacts of the scheme at this stage of the process, we have inferred that the investment is likely to have a variety of positive impacts of this nature.

There are largely two approaches from the literature that have been widely used to assess the economic impact of public realm improvements:

- A qualitative approach which is centred on the key stakeholders and beneficiaries' perceptions of the public realm; and
- A quantitative approach that attempts to place a monetary value on the quality of the public realm.

Our research concludes that the quantitative analysis is a challenging area within which to measure impacts of investment in the public realm. Key challenges include difficulty in isolating the impact of an extensive set of variables and interrelated processes, a poorly defined public realm and measuring the long term nature of the economic impacts of public realm investment. Although a large amount of research and case study evidence exists, there are still some key gaps in terms of "hard quantitative assessments" that can be easily transferable to formal economic forecasting and appraisal methods, especially for ex-ante evaluations of the benefits.

Considering all of the above and the elements comprising the scheme described in the Strategic Case, our approach was quantitative for the direct benefits from improved walking and cycling routes (health benefits, absenteeism, journey quality and decongestion) and qualitative for the implied benefits of public realm improvements.

Scenario	Key Performance Indicators	Unit	Annual
Do-Minimum and Do-Maximum (first and second future year)	*Performance indicators for Cycling Schemes in line with the Core Metrics spreadsheet agreed with the Federated Area:* 1. *Total Length of resurfaced roads (m)* 2. *Average daily traffic by peak/non-peak periods (No.)* 3. *Total Length of new cycleways (m)* 4. *Accident Rate (p/a, route specific)* 5. *Casualty Rate (p/a, route specific)* 6. *Pedestrian Counts on new/existing routes (No.)* 7. *Cycle journeys on new/existing routes (No.)* 8. *Cycle Parking Counts (No.)*		

***The scheme promoters are encouraged to use the existing datasets and model outputs to provide this information. The preference would be to use a spreadsheet type of analysis to provide information in the above table.*

6.4 Transport scheme assessment approach

6.4.1 Provide a brief description of a (spreadsheet-based) modelling and appraisal methodology as well as detail of data source used

Medway Council appointed an economist to make a preliminary assessment of this scheme, and using both WebTAG values or the more recently published public realm valuations from the TfL, early assessments have indicated this would be a **high value for money scheme (>4)**. This is based on the following assumptions:

a. Health, by encouraging activity;
b. Journey ambience for improved lighting, surface treatment, new pedestrian signage and benches;
c. Value of time per person for improvements to business time and commuting time due to improved pedestrian priority;
d. Low maintenance and operating costs.

In line with the 'small scheme' guidance, a proportionate approach has been adopted with no TUBA runs required. The rule of half was applied to new trips.

The benefits were calculated overall, not split by journey purpose as there was not enough information available on the types of trips to break it down. Given the nature of the scheme and the proportionate approach recommended in the guidance, the benefits were not split by time period.

Chatham railway station was used as either the origin or destination station for over 2.86 million rail trips in 2011/12 (Source: Office of the Rail Regulator).

An analysis of the passenger survey data from the DfT's National Rail Travel Survey shows that 33% of the users of Chatham railway station who live in the local area arrive on foot. For non-local users, who use Chatham as a destination 74% of the passengers arrive at the station on foot. The benefits of this scheme will clearly affect a large number of users.

Many of the users of the railway station travel to the centre of Chatham. The main destination for people who arrive in Chatham by rail and do not live locally is the town centre and the employment locations towards the Chatham Historic Dockyard area. All of these people would walk through the area of the proposed public realm improvements. The footfall along the proposed scheme is much higher than just the number of people using the railway station as it includes other pedestrians who are using the route from large residential areas to the south past the station into the town centre.

6.4.2 List all assumptions made for transport modelling and appraisal

See points below.

6.4.3 Provide key positive and negative impacts of the schemes in the table below as described in the Appraisal Summary Table and Social Distribution Impact analysis, where it is appropriate, supported by evidence.

Appraisal Summary Table (AST)				
Impact		**Summary of Key Impacts**	**Assessment**	
Category	**Sub-Category**		**Quantitative**	**Qualitative**
Economy	Business users and transport providers	A possible decrease in traffic congestion and travel times by increased footfall through the town centre and improved access /connectivity to rail and bus services will have a beneficial impact on businesses in the town centre. The wider implications of modal shift may result in fewer vehicles on the road network. Businesses may also benefit from a small decrease in absenteeism due to promotion of active travel modes.	Number of pedestrians and cyclists using route from Station to Town centre will increase (monitoring requirement)	Moderate beneficial
Economy	Reliability impact on Business	An improvement between the town centre rail and bus station link may lead to a decrease in local car users and a		Slight beneficial

	users	reduction in traffic congestion. This may lead to a slight improvement in journey time reliability. However the change in the variability of travel time is not anticipated to be significant for business users.		
Economy	Regeneration	The impact of improvements in public realm will attract additional businesses to the area, potentially increasing occupancy rates and encouraging the development of active on-street uses of public realm. It is anticipated that the quality public realm improvements will act as a catalyst for investment in the area.	Anticipated 6,271 job increase by 2025	Large beneficial
Economy	Wider Impacts	The project is not anticipated to have any significant impact on labour market efficiencies outside of Medway.		Neutral
Environmental	Noise	There will be a slight improvement in noise levels as a result of possible mode shift and a reduction in traffic congestion.		Slight beneficial
Environmental	Air quality	There may be a slight improvement in air quality levels as a result of possible mode shift and a reduction in traffic congestion		Slight beneficial
Environmental	Landscape	The scheme may include elements of improved landscape as part of the public realm improvements.		Slight beneficial
Environmental	Townscape	The proposals will greatly enhance the townscape by implementing high quality public realm, creating a greater sense of place and identity within the town centre, and creating a more distinct pedestrian through route between the town centres two main transportation hubs		Large beneficial
Environmental	Heritage of historic resources	The scheme will enhance buildings of historic and architectural significance in the town centre by improving the public realm, thus revealing them to a wider audience and increasing vitality in the area. The scheme will also improve accessibility to local historic attractions including Fort Amherst and Chatham Historic Dockyard.		Large beneficial
Environmental	Biodiversity	The scheme will not have an impact on biodiversity as works are within the existing highway and public realm boundary.		Neutral
Environmental	Water environment	The scheme will not have an impact on the water environment as the works are within the existing highway boundary. However, by better linking the river Medway waterfront to the town centre the scheme may indirectly benefit the promotion and preservation of the river as		Neutral

		a key resource in Chatham.		
Social	Commuting and other users	The primary benefits will be to public transport users, walkers and cyclists who will benefit from the improved public realm and station local environs. The scheme will cater for increasing volumes of pedestrians in the future by removing clutter, improving footways and better identifying the through-pedestrian link between Chatham rail and bus station, which will reduce journey times on foot		Slight beneficial
Social	Reliability impact on Commuting and Other users	There may be a slight improvement in journey time reliability due to the clearer links between rail and bus transportation hubs in Chatham town centre.		Slight beneficial
Social	Health and physical activity	Physical activity will be improved through the promotion of mode shift towards walking and cycling in the town centre. More people will be encouraged to walk and cycle due to these improvements.		Slight beneficial
Social	Journey quality	Journey ambience will be greatly improved as a result of the proposals, due to the implementation of high quality public realm improvements. The size of the benefit reflects both the numbers of pedestrians and cyclists who will be affected and the quality of the proposed public realm enhancements.		Large beneficial
Social	Accidents	Studies have shown that carefully designed shared space junctions and public realm may reduce accidents by causing drivers to interact more cautiously with pedestrians. Although difficult to quantify or monetise for the scheme proposed, there are case studies which have shown that accident rates were either comparable or reduced after shared space treatment and enhancements.		Slight beneficial
Social	Security	The scheme will increase personal security by attracting more active on-street uses, more active frontages and increased footfall into the Chatham town centre area which may contribute to crime reduction and the fear of crime.		Slight beneficial
Social	Access to services	Mobility will be enhanced allowing people easier access to the town centre and the amenities it provides. Making the route into the town centre clearer and more pedestrian and cycle friendly not only makes the environment more attractive but means that utilisation of public transport into the town centre will be a		Moderate beneficial

		more attractive prospect.		
Social	Affordability	The schemes will promote the efficiency of journey connections between bus and rail in Chatham and improve journey quality of walking and cycling, which will reduce the need to travel by car or personal vehicle		Slight beneficial
Social	Severance	Severance to the town centre from the south by Chatham rail station is currently high due to ineffective public realm. This disconnect will be decreased by providing improved pedestrian access and clearer way-signing. This may encourage development and promote the expansion of commercial areas en-route to the town centre and adjoining Waterfront bus station, thus providing jobs and easily accessible amenities.		Large beneficial
Misc.	Public accounts	It is anticipated that new public realm features will have a positive impact on the maintenance costs for existing , long standing public realm amenities		Slight beneficial
Misc.	Indirect Tax	There may be a small reduction in fuel duty as a result of mode shift.		Slight beneficial
Misc.	Reputational	The successful delivery of the scheme will have a positive impact on Council reputation, and the reputation and standing of Chatham town centre as a regional focus point.		Moderate beneficial

6.5 Benefit Cost Ratio – assessment of the value for money of improved walking routes

Estimation of key input parameters - Estimation of number of users benefiting from the intervention

6.5.1 The range of benefits of walking friendly environments is extensive and far-reaching. In order to determine the actual value of benefits from increased levels of walking, it was necessary to estimate the number of users who would benefit. For this purpose, two scenarios were considered i.e. one without the Chatham centre place-making improvements scheme and one with the scheme.

6.5.2 Both the 'without scheme' and 'with scheme' scenarios are based on 2014 data of walking trips currently undertaken in Chatham City Centre. This was calculated from ONS 2011 travel to work data for Chatham City Centre area and adjusted with the average proportions of trips by purpose and main mode from the National Travel Survey (NTS) for England (2013) and Trip End Model Presentation Program (TEMPRO) growth rates. The number of trips was converted to individual users based on the assumption that 90% of trips are part of a return journey using the same route and the remaining 10% are single journeys on the route.

6.5.3 The 'without scheme' scenario is then based on annual National Trip End Model (NTEM) growth rate of 0.52% for walkers. This is assumed to remain constant over the whole appraisal period and does not taken account of population growth or change in employment. The 'with scheme' scenario is based on a growth rate from a comparative study[1] which showed a 56% increase in pedestrian

[1]Valuing Urban Realm: Seeing Issues Clearly Report for Design for London, MVA, 2008

counts on weekdays relative to baseline, two years after similar upgrades (i.e. demand in 2016 in the 'with scheme' scenario is 56% greater than demand in 2014).

6.5.4 The Maid Marian Way study in Nottingham was selected as being the most representative for the current assessment in terms of the measures implemented. The upgrades to make the street more pedestrian friendly included remodelling the dual carriageway and creating a high quality public realm characterised by new pedestrian crossings, increased pavement widths, planting and street furniture.

6.5.5 In the absence of information on the roll out of the scheme, it was assumed that the scheme is delivered over a period of two years from 2015 to 2017 and the benefits have been apportioned in line with the phasing of the costs. The number of new pedestrian users generated by the scheme is calculated as the difference between the number of users expected under the 'without scheme' scenario and the forecast number of users under the 'with scheme' scenario.

6.5.6 Levels of growth beyond 2016 have been estimated using the concept of a rate of decay in use, as suggested in WebTAG Unit A5.1 Active Mode Appraisal. For this study it was assumed that after the initial encouragement of walkers to the intervention, rather than maintaining an increased level of walking indefinitely, additional use reduces over time compared to the 'without scheme' by 10% every year from 2017.

Estimation of car kilometres removed

6.5.7 An estimation of car kilometres saved by the scheme is required to calculate decongestion, environmental and accident benefits. The total change in cycling kilometres is calculated by multiplying the forecast number of walking trips generated by the scheme by the average trip length value of 1.15km, sourced from the National Travel Survey. The number of car kilometres abstracted from the road network is then determined using a percentage of respondents stating that they could have used a car instead of walking but they chose not to.

Estimation of time spent travelling

6.5.8 The estimation of health benefits requires an assessment of time spent active per day. This is calculated using an average trip length of 1.15km (from NTS, as above), an average speed of 5kph for walkers (from Design Manual for Roads and Bridges section 11.8.3) and the proportion of individuals making return trips.

6.6 Calculating the value of benefits

6.6.1 A range of quantifiable benefits have been identified as directly attributable to walking schemes. These benefits include:

- Health benefits from increased physical activity;
- Savings from reduced absenteeism;
- Journey quality;
- Decongestion;
- Accidents;
- Reduced environmental costs;
- Avoided or deferred infrastructure provision.

Calculation of benefits to health

6.6.2 Increasing the number of people walking regularly will raise the amount of exercise taken and consequently contribute to better health. The analysis carried out here assumes a linear relation between activity levels and the risk of premature death when compared to less active individuals and is restricted to the contribution of walking to reducing inactivity in adults only. The method for calculating the impacts was taken from 'Quantifying the health effects of cycling and walking' (WHO, 2007) and its accompanying model, the Health Economic Assessment Tool (HEAT).

6.6.3 Research[2] has found that the reduction in relative risk for pedestrians at 29 minutes per day for seven days a week is 0.22 compared to inactive individuals. Therefore, the reduction in relative risk is calculated by interpolating between 0 and the maximum reduction of 0.22 on the basis of the average time spent travelling walking per day (one of the key input parameters). It is worth noting that the average active time is based on the assumption that average trip lengths remain unchanged over the appraisal period.

6.6.4 The potential number of lives saved is based on the reduction in relative risk, the number of users benefiting from the intervention and an average mortality rate of 0.0022[3], representing the proportion of the population of England aged 15-64 who die each year. It is accepted that there is a period where the health benefits will accrue over time until an individual is deemed "fully active". Therefore, making the health benefits instantaneous to new users will be an over-estimate. To avoid this, we assumed a rate of accrual of five years and that half of the new walkers in each year receive 20% of the full benefit (as they have been more active for one year) and half receive 40% (as they have been more active for two years)[4].

6.6.5 The number of potentially prevented deaths is then multiplied by the average value of prevention of a fatal casualty taken from the TAG Data Book (Table A4.1.1) which is assumed to grow in line with GDP/capita for the period from 2014 to 2074. The calculations were repeated for each year in the appraisal period and then summed to give a total present value benefit of approximately £9.4 million in 2010 prices.

Calculation of absenteeism benefits

6.6.6 Benefits to employers from reduced absenteeism were calculated in accordance with WebTAG Unit A4.1 Social Impact Appraisal. The evidence for the reduction in absenteeism from work as a result of increased walking was taken from a US study which found that 30 minutes of exercise a day could reduce short term sick leave by between 6% and 32% (WHO, 2003). The base level of absenteeism assumed is 9.1 of which 95% is accounted for by short-term sick leave[5]. Similar to the health benefits analysis, we assumed a linear relationship between levels of activity and reduced absenteeism. The value attributed to reduced sick days is based on the gross full time workplace based weekly earnings in Medway in 2013[6]. Absenteeism benefits only apply to commuters hence the number of new walkers is factored by the proportion of commuting trips on the route taken from NTS.

[2] World Health Organisation (2011), Health economic assessment tools, HEAT for walking and cycling, Economic Assessment of Transport Infrastructure and Policies, Methodology and User Guide, Copenhagen

[3] ONS 2011

[4] WebTAG Unit A5.1 Active Mode Appraisal

[5] PwC Absence Research, 2013, http://pwc.blogs.com/press_room/2013/07/rising-sick-bill-is-costing-uk-business-29bn-a-year-pwc-research.html

[6] Business Intelligence Statistical Bulletin, Earnings in Kent 2013, Business Intelligence, Research & Evaluation, Kent County Council, January 2014

6.6.7 The absenteeism benefits are estimated for each year between 2014 and 2074, including growth in line with GDP/capita in the employment cost and then summed to give a present value benefit of approximately £0.14 million in 2010 prices.

Calculation of journey quality benefits

6.6.8 Research derives a value for 'safety-insecurity' on the basis of which journey quality benefits are calculated in accordance with WebTAG Unit A4.1 Social Impact Appraisal. In the current study, journey benefits to pedestrians are derived from provision of additional street lighting, information panels, benches, directional signage and adjusting pavement evenness and kerb level. These quality values taken from TAG Data Book Table A4.1.7 are assigned in full to each trip made by current users and only half to each trip made by new users following the 'rule of a half'. An assumption is also made that the average walker will use the new walking tracks for approximately half their journey.

6.6.9 An annualisation factor of 220 days is used, based on the number of working days in a year and excluding weekend use, which might be considered a relatively conservative approach. Similar to the other type of benefits, journey quality benefits are calculated for each year of the appraisal period, including growth in the quality values in line with GDP/capita and summed to give a present value benefit of approximately £1.4 million in 2010 prices.

Calculation of Benefits Arising from Improvements at Chatham Station

6.6.10 An important part of the package of measures is a set of improvements at Chatham Station which will improve the appearance and attractiveness of the station.

6.6.11 Willingness to Pay parameters from PDFH (v5.0 Table C8.4 & Section C8.4) have been used to estimate an uplift to passenger numbers as a result of improvements to (i) the condition of the station exterior ('Poor' to 'Good'); and (ii) station cleanliness ('Some Litter' to 'No Litter'). The resulting uplifts (1.8% commuting and 3.0% business / leisure) are applied to the ORR total station entries (assuming 75% of these originate in Chatham) and are assumed to generate revenue at a rate of £33.30 and £13.60 respectively (based on peak and off peak fares to London respectively). Standard PDFH lags are applied to allow the impact of these changes to ramp up.

6.6.12 Over the 60 year appraisal period, this produces additional discounted revenue of £12.9m which we have included in the benefits stream.

6.6.13 This can be seen as a conservative estimate as we have not estimated any public realm related welfare benefits for existing station users.

Calculation of other benefits with the Marginal External Cost method

6.6.14 The Marginal External Cost (MEC) method was applied to calculate decongestion, accident, greenhouse gas, air quality, noise, reduced infrastructure and indirect tax benefits and followed the four-step process recommended in WebTAG Unit A5.4 Marginal External Costs:

- Estimate the change in car kilometres;
- Analyse the characteristics of the car journeys removed;
- Calculate marginal external costs for modelled years; and
- Discount costs over the appraisal period.

6.6.15 The MECs by road type for each category of impact and year were taken from TAG Data Book Table A5.4.2 for the 'Other urban' road type. These values were then weighted with the proportions of

traffic in Table A5.4.1 for 'Other urban' road type in the South East to produce weighted average marginal external costs for each year and category of impact.

6.6.16 It should be noted that no account has been made in this case for potential mode shift from public transport. The table below shows the present value of the impacts in 2010 prices estimated with the MEC method:

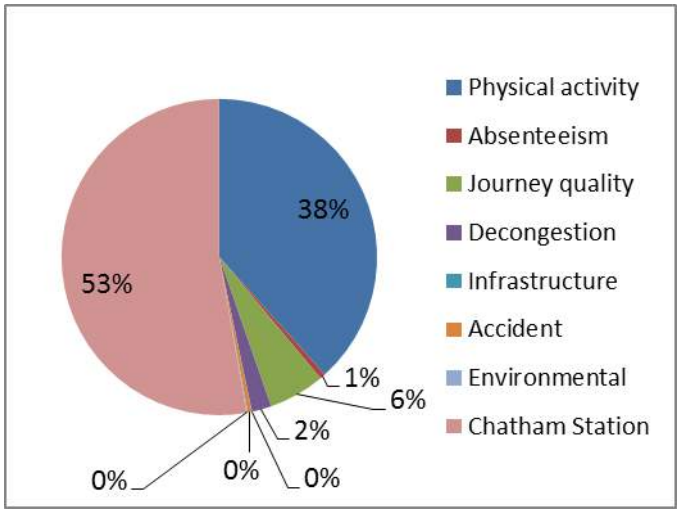
Impacts	Present value (£s)
Decongestion	493,596
Infrastructure	3,343
Accidents	103,025
Local Air Quality	767
Noise	6,692
Greenhouse Gases	22,567
Indirect Taxation	-124,180

Calculating present value of benefits

6.6.17 The appraisal period used in the calculation is 60 years and we have applied the Green Book schedule of discount rates. The stream of benefits has a 2010 Present Value base year, a 2014 appraisal year and a 2015 opening year. Because the scheme opens in 2015 the appraisal period extends to 2074 to include the 60 years of benefits.

6.6.18 The Green Book schedule of discount rates is applied from the year of the appraisal, 2014, so a 3.5% discount rate applies until 2044, with 3% applied until the end of the appraisal period in 2074. Between the appraisal year, 2014, and the Department's Present Value base year, 2010 we have also applied the 3.5% discount rate.

6.6.19 The figure below shows the proportion of total Present Value of Benefits (PVB) in 2010 prices attributable to each main impact. For simplicity, the local air quality, noise and greenhouse gases elements were aggregated into one category representing environmental benefits.



6.7 Calculating the value of costs

6.7.1 The Present Value of Costs (PVC) was determined in a very similar way to the PVB. A stream of future costs were estimated over the same appraisal period as the benefits and discounted in the same way. The original costs were expressed in 2014 prices and had to be deflated in 2010 prices to be comparable with the benefits.

6.7.2 All figures expressed in real terms at 2010 prices. Costs deflated to 2010 prices using GDP deflator. Inflation assumptions are subsumed into risk and contingency costs.

6.7.3 Sunk costs are generally written off as part of the day to day business of the transport planning responsibilities of Medway Council. No sunk costs were included in the analysis.

6.7.4 Total costs for the scheme in 2014 prices were £8.3 million and the phasing is £3.3 million in 2015/16, £5.0 million in 2016/17. The costs were adjusted to include optimism bias of 15% as recommended in the Green Book and taking into account the nature of the project and the stage of scheme development. Sensitivity analysis is provided around the uplift used. The calculation resulted in a PVC of £7.3 million.

6.7.5 Funding for the project is fully from the public sector and is secure. The majority secured from Local Growth Fund and the balance from the Place-Making fund which is in the control of Medway Council. Details are provided in Section 7.

6.7.6 Revenue operating costs will be minimal because the highway corridor already exists. Any additional maintenance costs will be funded from Medway Council's revenue account.

6.8 Cost-Benefit Analysis results

6.8.1 To calculate the benefit to cost ratio (BCR), the total discounted benefit over the 60 years appraisal period is divided by the total discounted cost of the scheme. The resulting benefit cost ratio was found to be 3.3 which suggests that for every £1 of public money spent, the funded scheme provides £3.30 worth of economic benefit. The results are summarised in the table below. The unit of account used for the Cost-Benefit analysis is 2010 market prices (gross of indirect tax).

6.8.2 The BCR has not been adjusted to account of non-monetised benefits in the report.

Monetised Costs and Benefits	Present Value (£s)
PVB	24,297,641
PVC	7,313,947
Net Present Value	16,983,694
BCR	3.32

Present Values and Benefit Cost Ratio of Chatham Centre Place-making Improvements

6.9 Sensitivity Analysis

6.9.1 At the present time, only a limited number of benefits from increased walking were sufficiently well understood and evidenced to allow for their valuation and inclusion in estimations of benefit to cost ratio for the Chatham City Centre intervention. Particularly, travel time savings for new walkers, security benefits from reduced crime and fear of crime, multiplier effects (e.g. the work of actually creating better walking infrastructure), positive impact on household disposable income from reduced spending on car fuel, the impact on mental health and health benefits to children and young people have not been considered as part of the analysis. If these represented an additional 20% on top of the current PVB, the BCR would increase to 4.0.

6.9.2 Moreover, the CBA was based on limited knowledge of many of the input elements that are required for the estimation of the considered benefits and costs. It was essential to use realistic assumptions to produce a meaningful BCR. Although all our assumptions were based on firm evidence from WebTAG guidance or from literature available on value for money of walking interventions, some assumptions were considered to be more uncertain than others and were therefore included in a sensitivity analysis ie to understand the impact on the BCR from amending these key assumptions.

6.9.3 For this study, assumptions around the decay rate, the proportion of people that would choose to not use a car although they could have and the optimism bias uplift were tested. The results in terms of the change in BCR were the following:

- The BCR would increase to 4.4 if the decay rate was lowered from 10% to 5% and would decrease to 2.6 if the decay rate was increased to 22%;
- If there was no switch from driving to walking (i.e. the proportion of people that would choose not to use a car although they could have would be 0%) the BCR would only decrease slightly to 3.25. This is due to the fact that decongestion, infrastructure, accidents and environmental benefits represent only about 2.6% of the total benefits;
- The BCR would increase to 3.6 if optimism bias would go down to 5% and would decrease to 1.8 if optimism bias would increase to 110%.

6.10 Qualitative assessment

6.10.1 Three performance indicators for public realm improvements were identified from the literature and were discussed in relation to the current scheme and illustrated with evidence from similar schemes: impact on existing business performance (footfall and retail), impact on urban regeneration (investment and property prices) and impact on consumer and business satisfaction.

Impact on existing business performance

6.10.2 Research has found that well planned improvements to public spaces can boost footfall and trading by up to 40%[7]. One study (Whitehead et al., 2006) also suggests a range of 10% to 25% increase for retail turnover and evidence exists to show that pedestrians and cyclists spend more than people arriving by motorised transport. In terms of the latter, a study in London looking at the effect of pedestrianisation concluded that walkers spend £147 more per month than those traveling by car. More evidence based on individual cases is presented in the table below.

[7] The pedestrian pound – The business case for better streets and places, Just Economics, Living Streets

Impact on urban regeneration

6.10.3 There is case study evidence to suggest that investment in public realm improvements, such as the creation of 'cultural quarters' or 'waterfront developments' may lead to significant increases in new business. A study by Lerner and Poole (1999) found that private investment in the redevelopment of the waterfront in the town of Chattanooga in Tennessee resulted in the doubling of the number of businesses in the district over a period of eight years. Research conducted by the Central London Partnership (CLP) and Transport for London (TfL) in 2003revealed that 85% of the businesses they interviewed identified the quality of the streetscape as essential to the ability to attract customers or tenants.

6.10.4 Improvements to the public realm also have the potential to increase the value of land and property in the area which is reflected through the sale price of residential property and the rental price of retail premises. A study[8] suggests that the elements that are most likely to be correlated with differences in the sale price of flats were security, lighting, maintenance and quality of environment. Representatives of the retail sector placed the greatest value on footway surface quality, maintenance and quality of the environment, specifically favouring de-cluttering, maintenance and lighting. More evidence based on individual cases is presented in the table below.

Impact on consumer and business satisfaction

6.10.5 A positive relationship has been observed between the quality of public spaces and people's perception of the attractiveness of the local area. Tourism is particularly reliant on a location's attractiveness and investment in the physical environment is essential for achieving tourist development and growth. Moreover, building a good image and reputation is believed to provide a basis for growth by impacting on the confidence of prospective residents, businesses, developers or the local authority to commit to the area. More evidence based on individual cases is presented in the table below.

6.10.6 Re-construction of the Peace Gardens; the re-ligaments and narrowing of Pinstone Street to create a new event and gathering space outside the Town Hall (the new Town Hall Square), and the narrowing of the carriageway in Surrey Street to give pedestrians more space.

6.10.7 The majority of the benefits outlined above should be considered as they have the potential to increase the BCR for the Chatham centre place-making scheme. The transformation of the Chatham Public Realm will provide a high quality public space that has the potential to attract visitors and increase retail and leisure spend. Safety measures and perceptions of increased safety will help increase use. People will be more likely to shop and spend their leisure time in a well designed and more aesthetic environment. Creating a welcoming atmosphere will improve the attraction of the area and establish the area as a destination point.

Location	Measures	Outcome	Source
Impact on existing business performance			
Coventry City Centre	New pedestrian areas, a new civic square, clearer signage and better placement of street furniture	A 25% increase in footfall on Saturdays	NWDA/RENEW Northwest, 2007

[8]Valuing Urban Realm: Seeing Issues Clearly -Report for Design for London, MVA, 2008

Exeter City Centre	Traffic management measures, high quality paving, public art, seating, tree planting, lighting and improved connectivity in the city centre	A 30% increase in footfall between 2002 and 2010	Why invest in landscape?, Landscape Institute, London, 2011
Sheffield, Heart of the City	Re-construction of the Peace Gardens, the re-alignment and narrowing of Pinstone Street to create a new event and gathering space outside the Town Hall (the new Town Hall Square) and the narrowing of the carriageway in Surrey Street to give pedestrians more space.	A 35% increase in footfall in the City Centre	Genecon, 2010
Impact on urban regeneration			
St. Anne's on the Sea, Lancashire	Better paving, street furniture and lighting, better landscaping, restoration of historic buildings, more street activity and events and restoration of the Square	An increase in rental values by up to 10%. £20 million of private sector investment attracted to the town	Amion Consulting and Taylor Young, 2007
Plymouth Armada Way	Easier access for pedestrians through the city centre, a safer and more pleasant streetscape and a new public square	The square has attracted a number of markets, which generate a surplus of £100,000 per year	Plymouth Business Improvement District, 2007, Plymouth BID Partnership
Exeter City Centre	Traffic management measures, high quality paving, public art, seating, tree planting, lighting and improved connectivity in the city centre	Retail Zone A rental prices have increased by £5 per square foot between 2006 and 2008	Why invest in landscape?, Landscape Institute, London, 2011
Impact on consumer and business satisfaction			
Ealing	New street lighting, hanging baskets, de-cluttering and signage	Improved visitor perception and reduction in crime.	Ealing BID, 2009
Leicester	Changing bus routes, pedestrianisation, de-cluttering, new street paving and street furniture, tree planting and changes to	91 % of respondents to a business survey felt that the space surrounding their business location had recently improved, and 64 per cent agreed	Ecotec (2007) Economic Impact of the Public Realm: A Final Report to the East Midlands Development Agency

	street lighting	that these improvements have been good for business	

Commercial Case

7. PROCUREMENT ROUTE

6.1 Define the approach taken to assess commercial viability

6.1.1 Officers have engaged with the Council's own Category Management Team in order to carry out the necessary market assessment on the commercial viability of this project. This included:

- An appraisal of the current market conditions for the delivery of all aspects of the scheme.
- Consultation with project and performance management consultants for additional guidance on scheme procurement and best contracting methods.
- An examination of the cost benefits of the scheme. The results of this analysis which provide more specific details on the commercial viability and cost benefits of the project are set out in Section 5 above.

6.1.2 Medway Council's Category Management Team has a proven track record of successful project delivery, both in terms of quality and value for money, recognised in March 2014 at the Excellence In Public Procurement Awards 14/15 where the Team achieved the Highly Commended Award for Innovation or Initiative, and in August 2014 being shortlisted for two major award categories in the CIPS Supply Management Awards 2014. The Team will provide support to the Project Group throughout the life of the scheme, including pre and post delivery phases. The Governance Arrangements set out in Appendix B. provides additional detail on the Team's role in the project management structure.

6.2 Briefly describe the procurement strategy. Set out timescale involved in the procurement process to show that delivery can proceed quickly.

6.2.1 In order to achieve the best outcome for the project officers are currently considering two procurement strategies for this project, the two-stage approach and the traditional approach. The proposed timescale and process for the two stage is set out in detail below:

Pre Tender Stage	1. In House Preparation / Appointment of Consultants	The Client prepares a business case for its proposed project and develops this into a project brief that forms the basis for selection of a Designer and Cost Consultant (either in-house or pursuant to a new EU-compliant procedure or under an existing framework / alliance / long-term contract);
	2. Consultant Preparation	The selected designer creates a concept design and the selected cost Consultant creates a Project Budget, in each case for Client approval;
Stage 1 (Tender)	3. Market Engagement / Appointment of Main Contractor	The Client issues the project brief, approved concept design and Project Budget to the market, and invites proposals that will form the basis for their appointment under Conditional Contracts (pursuant to new EU-compliant procedures or under existing frameworks / alliances / long-term contracts);
		Bidder submissions will include appropriate design and other project proposals for evaluation, as well as Consultant fees and Contractor fees / profit/ overheads – and, where appropriate, the costing of work/supply package proposals from preferred Subcontractors and Suppliers;

Stage 2 (Pre Construction Agreement)	4. Pre-Construction Phase	The successful Contractor and Consultant team are appointed to then work up a proposal on the basis of an Open Book cost that meets the Client's stated outcomes and cost benchmark as a second stage;
		The selected Integrated Team, comprising the Client, Consultants and Contractor (together with any provisionally approved Subcontractors and Suppliers), carries out agreed Preconstruction Phase activities under the terms of their Conditional Contracts and in accordance with a Preconstruction Phase Timetable, including build-up of developed design in respect of the project and each work/supply package, together with Project Budget reconciliations for Client approval;
		As developed design is approved, subject to review and value engineering as appropriate, the Integrated Team then builds up the technical design in respect of the project and each work / supply package for Client approval;
	5. Supply Chain Engagement	Contractor issues approved developed design or technical design (dependent on the extent of design proposals invited) to any provisionally approved Subcontractors and Suppliers for particular work / supply packages and creates a business case for review / development / finalisation of their work / supply package and costs and for Client approval;
		Contractor issues approved developed design or technical design (dependent on the extent of design proposals invited) with an Enquiry Document approved by the Client to prospective Subcontractors and Suppliers for each remaining work / supply package and invites them to submit tenders comprising proposals and costs for that work / supply package;
	6. Finalisation of Design and Cost	As successive Subcontractors and Suppliers are selected, the expanded Integrated Team finalises the technical design, confirms the components of the agreed costs for the project, and develops a Construction Phase programme;
		The expanded Integrated Team undertakes joint risk management activities so as to minimise any risk contingencies quoted by the Contractor and so as to establish a robust and acceptable basis for the Construction Phase of the project to proceed;
		If required, the Client authorises Early Works Orders to be undertaken by agreed Integrated Team members for agreed costs in advance of the Construction Phase of the project;

Construction Phase	7. Construction Phase	When technical design and costs and a Construction Phase programme have been sufficiently developed, supported by acceptable conclusion to agreed risk management activities, the Client confirms that the conditions set out in the Conditional Contracts have been satisfied and authorises the Integrated Team to undertake the Construction Phase of the project on the basis of: • Technical design compliant with the project brief and agreed by the Integrated Team; • Fixed price or target cost within the Project Budget and agreed by the Integrated Team; • A risk management position agreed by the Integrated Team; • A Construction Phase programme agreed by the Integrated Team.

6.2.2 The traditional approach, if taken forward, will include a more independent design stage, with the market approached subsequently for the procurement of scheme construction. Officers are continuing with the necessary due diligence on the appropriateness of the approach for this project and will finalise the specific procurement strategy by March 2015. Officers will ensure that the final strategy:

- Enables full project mobilisation within the funding period
- Has clearly defined financial implications
- Has clearly defined risk allocations
- Specific project timescales, including implementation timeframe.
- The necessary timescales for multiple procurements if appropriate to ensure all package elements of the scheme are value engineered and delivered to timescale.

6.2.3 In order to minimise overrun and contingency arrangements, officers are also considering the appropriateness of either a fixed price or target price contract, and how risk and contingency will be best managed in order to maximise deliverable outcomes for the project. Specific contracts being considered for the project are:

- JCT Constructing Excellence (Construction phase need adapting for pre construction phase)
- NEC3 Option C (Construction phase need adapting for pre construction phase)
- PPC2000
- Public Sector Partnership Contract Option 6 (Option 10 is the preconstruction phase)
- TPC2005 (Includes 2 stage open book mobilization phase)

6.2.4 The chosen procurement strategy will be fully supported by the Council's own internal procurement governance arrangements (public details of which can be found here http://www.medway.gov.uk/businessandinvestment/procurement.aspx), including a comprehensive Gateway reporting process, procurement support and guidance from the Council's dedicated Category Management Team, and additional due diligence on all key scheme proposals and awards through the Council's Divisional Management Team (attended by senior Council officers and service heads), Procurement Board (attended by senior Council officers, service heads, and member portfolio holders), and if necessary full Cabinet.

6.2.5 Once the project commencement date has been established, the following six month procurement strategy timetable will be followed (using April as an example commencement date):

- April: Publish OJEU/PQQ (Pre-Qualification Questionnaire)
- May: Return of PQQ and evaluation/shortlist
- June: Invitation to tender published
- August: ITT returned and evaluated
- September: Intention to award and 10 day standstill period
- October: Award of contract

6.2.6 With regard to identified risks which may affect project delivery, the following process of active contract management will be undertaken once the chosen procurement approach (Traditional or Two Stage) has been finalised:

Traditional Approach:- The contractor will agree a price to deliver and then may seek to make claims for changes to design and additional prelims. This could delay the project due to required project redesign and which may lead to increased costs. If this procurement approach is undertaken the QS and PM will ensure that any costs change is robustly challenged to control any change requests against the design, with a clear costed risk register to ensure that there is no ambiguity.

Two Stage Approach:- The contractor may attempt to design a scheme that is unaffordable with the intention of reducing the scheme or increasing the budget to maximise profit. If this procurement approach is undertaken officers will work collaboratively with the contractor to control cost throughout the design stage, thus mitigating this risk. A costed finalised design followed by a fixed cost or target cost contract will also ensure that there are no costed changes to the client.

6.2.7 Regarding previous procurement experience, Medway Council's Procurement & Category Management Team procure the full range of requirements for the Council ranging from social services to capital projects. All members of the Team are members of the Chartered institute of Purchasing and Supply (CIPS) which sets standards for procurement professionals globally. One of the key lessons learnt from previous procurement projects is that the right team needs to be in place to ensure that the project can deliver the objectives and outcomes within time and budget.

Medway Council also has a wide range of experience successfully tendering and contract managing traditional build contracts utilising JCT Design and Build as well as other forms of contracts such as NEC3 and PSPC.

The tender process undertaken will look to ensure that the client side technical support has the correct ethos to deliver the projects and the contractors have experience of delivering these projects working collaboratively rather than adversarial approach.

Financial Case

7.1 Total cost of the project

List here the elements of gross costs, excluding optimisation bias. Please provide the date the prices for the cost estimate is based on (e.g. Q1 2014):

Listed is the total cost of the project for the Do Maximum Option

	* Cost **Estimate status (E; F; D; T)**	**2014/15 £000**	**2015/16 £000**	**2016/17 £000**	**2017/18 £000**	**2018/19 £000**	**2019/20 £000**	**2020/21 £000**
Procurement Cost								
Feasibility Cost								
Detail Design Cost (inc transport modelling)			150 (T)	120 (T)				
Management Cost			100 (E)	120 (E)	100 (E)			
Construction Cost			520 (E)	1,960 (E)	550 (E)			
Contingency -15%			150	300	150			
QRA – 15% of LGF				400	200			
Surveys			30 (E)					
Consultation & engagement			50 (E)					
VAT (if appropriate)								
Sub-total Non-Works			**330**	**240**	**100**			
Sub-total Works			**670**	**2,660**	**900**			
TOTAL COST			**1,000**	**2,900**	**1,000**			

*E = Broad estimate, D = Detailed estimate, T = Tender price, F= Feasibility estimate

7.2 Source of funding

List here the amount of funding sought:

Funding Source	**2014/15 £000**	**2015/16 £000**	**2016/17 £000**	**2017/18 £000**	**2018/19 £000**	**2019/20 £000**	**2020/21 £000**
LGF		1,000	2,000	1,000			
Private Developers							
Borrowing							
Income							
Other (insert as many rows as required)							
Local Contribution Total (leverage) – Place-making Fund		0	200	0			
Other Funding Network Rail – 50% funding for station improvement			**700**				
TOTAL FUNDING		**1,000**	**2,900**	**1,000**			

Please note that the totals for funding should match with the total for project cost.

Type of Funding	Funding Source	Please identify how secure the funds are	When will the money be available
Public	LGF	Secure - Strategic business case agreed by DfT	April 2015
	Borrowing		
	Income		
	Other (insert as many rows as required)		
	Local Contribution Total (leverage)	Secure - Placemaking fund	April 2015
Private	Please list all developers		
	Private Developers Total		
	Other Funding Network Rail	Secure - Network rail have confirmed funding is available subject to agreement being completed by April 2015	2015/16 – 2016/17

7.3 Affordability gap

The capital elements of the scheme are affordable within the funds available.

7.4 Financial estimates

The financial estimates for the scheme are based on a combination of known costs such as tender prices, prices from our partner organisations (Network Rail) and estimates. The total cost for the gateway improvements at Chatham Station amount to £1.4m (Network Rail price), with the LGF contribution £0.7m to these works at £0.7m (50% match funding). Detailed design cost if based on tendered prices. The procurement for the public realm works has been procured by an optional 2 stage process, which enables the scope of the works to be controlled by the funds available. Where available, 2015 prices have been used.

Revenue operating costs will be minimal because the highway corridor already exists. Any additional costs associated with public realm improvements will be funded from Medway Council's revenue account. Revenue costs associated with operating Chatham Station will be met by Network Rail/Southeastern.

7.5 Funding risks and constraints

Funding risks are low because all public funds are secure and other funding has been secured from Network Rail, have confirmed funding is available subject to the agreement between Medway Council and Network Rail being completed by April 2015 – preparation of the agreement is the process of being agreed.

There are no funding constraints except that £0.7m of the LGF needs to be allocated to the gateway improvement at Chatham Station to ensure the matched funding from Network Rail is secure.

Management Case – Delivery

8. DELIVERY

8.1 Provide high level information about arrangements that will ensure delivery of this project

8.1.1 Medway Council has effective project management and governance arrangements in place to ensure effective delivery of LGF projects, including:

- **Project management:** an established project management toolkit based on PRINCE2 methodology. Information for staff on Medway Council's adopted approach to project management is published on the council's staff Intranet site. The information makes it clear that it is imperative that projects are not undertaken without the management and controls described in the toolkit. The Medway method for project management is applicable to all projects, both capital and revenue - including change management projects. Annexed to this toolkit are template documents for use in the project management process. All LGF projects are following this process, with the addition that the LGF programme is being reported to the Officer Project Group on a monthly basis.

- **Governance** arrangements that involve both elected members and senior officers of the council.

The organogram at Appendix B summarizes the structure of the LGF project management and governance arrangements. Table 8.1 details the management and governance arrangements that Medway Council has in place to deliver Medway's LGF projects.

8.1.2 This project is a package of schemes that will be delivered and delivered during the lifetime of project. The programming and monitoring delivery of the individual schemes will be handled by the management and governance arrangements in place. A project plan has been prepared for the more detailed elements of this project which accompanies this business case as a separate PDF document. Other public realm improvement works will be undertaken outside of this project plan during 2015/16. The start and delivery milestones for this project are summarized at Appendix C.

8.1.3 Appendix D provides a breakdown of established resources for LGF project work-steams. Appointment to the post of Head of Local Growth Fund Projects has been made and arrangements are in progress to recruit to the posts of Principal Transport Planner – LGF Projects and Project Officer – LGF Projects. Further activity will be supported from existing Medway Council staff resources and consultants where established arrangements exist.

Table 8.1 - Medway Council key management and governance arrangements

Responsible group or officer	Responsibility
Cabinet	Member group that manages council business including high value/high risk procurement and projects including LGF projects. Cabinet meets every three weeks.
Member Advisory Project Board	Member overview of project development and delivery. The Board reviews, analyses and scrutinizes progress on the directorate's capital programme and, where relevant, specific large/complex projects. Board is chaired by Frontline Services Portfolio Holder. LGF reports are regularly considered by this Board.
Procurement	Member board that agrees and scrutinises procurement activity. This

Board	Board will consider the procurement strategy for each LGF project, consider submitted tenders and scrutinise outcomes.
Officer Project Group for Regeneration Community & Culture Directorate (RCC)	Senior officer project management of all LGF projects. The Group is responsible for the strategic management of the project and has authority to commit resources to the project in accordance with the Council's Constitution. General tasks include: • appointing the project manager; • signing off the project brief and business case; • approving the PID; • agreeing project controls; • authorising project start; • authorising variations to expenditure; • managing key risks in the highlighted risk log; and • authorising project closure. An LGF update report is a standing item on the agenda. The Group meets every four weeks.
Project Sponsor	Independent of the project and provides challenge to ensure project is delivered on time, within budget and achieving the anticipated benefits
Project Owner	Ensures governance arrangements and Medway project management principles are adhered to. Ensures the project is technically and financially viable and compliant with the organisation's corporate standards and strategic business plans. Owns the Business Case, funding and cost allocation for the project. Provides leadership and direction throughout the project. Is responsible and accountable for ensuring the project remains focussed on achieving its objectives and that the anticipated benefits can be achieved. Attend the directorate Officer Project Board to lead discussions on the project. Provides sufficient induction for the Project Manager to ensure s/he has the best understanding of the project. Chair implementation board if required.
Project Manager	Responsible for delivering the project on behalf of the project owner and officer project board. Leads and manages the Project Team with the Authority and responsibility to run the project on a day-to-day basis. Delivers the right outputs, to the required level of quality and within the specified constraints of time, cost, resources and risk. Prepare project information, including PID, Project Plan and Business Case. Identify and evaluate risks, determine and manage actions, and maintain the risk log. Manage and control changes to scope, requirements, personnel etc. Ensure project's resource plans and costs include sufficient, properly skilled support. Monitor and report progress against plans, quality and costs. Liaise with the Project Owner and Officer Project Board for their approval and decisions at key project stages.
Head of Local Growth Fund	Lead on managing and being responsible for Medway's LGF programme of projects. Includes operating at a high level with government, SE LEP

Projects	and the Independent Technical Evaluator. This post filled and operational.
Section 151 Officer	Responsible for signing acceptance of the grant and its attached conditions, overviewing financial transactions and challenging where necessary, sign off of financial statements requested from SELEP.
Head of Place, Category Management	Lead on providing procurement advice.
Head of Internal Audit	Lead on providing financial governance advice. Involved in the programme from an early stage.

8.1.4 ***Benefit realisation plan and monitoring***

8.1.5 Under the requirements of section 151 of the Local Government Act 1972, Medway Council confirms the financial administrator has adequate project assurance systems in place to verify that the scheme is fit and able to be procured and delivered using Medway Council procedures. This will include the council's Internal Audit team being engaged with the project at key gateways in its progress.

8.1.6 Medway Council will seek to agree with the SE LEP and Government a collection of KPIs (Key Performance Indicators) for the recommended option to monitor the delivery and success of the project. The metrics that may form the basis of the KPIs are listed below, which cover key outcomes and outputs from the project. Medway Council currently has monitoring arrangements in place to measure the majority of these indicators.

1. Core Metrics	**2. Project specific outputs - Transport**	**3. Additional monitoring**
Inputs	**Outputs**	Average daily traffic and by peak/non peak periods
Expenditure	Total length of resurfaced roads	Accident rate
Funding breakdown	Total length of new cycle ways	Casualty rate
In-kind resources provided	Type of infrastructure	Pedestrians counts on new/existing routes
Outcomes	Type of service improvement	Cycle journeys on new/existing routes
Jobs connected to the intervention	**Outcomes**	
Commercial floorspace constructed	Follow on investment at site	
Housing unit starts	Commercial floorspace occupied	
Housing units completed	Commercial rental values	

8.1.7 ***Communication and Stakeholder Management Strategy***

The figure below shows the engagement approach to be used for various different stakeholders and interest groups.

Stakeholder Management Plan

<table>
<tr><th colspan="3">Itemised stakeholders to be handled in accordance with interest / influence matrix</th></tr>
<tr><td rowspan="2">High

Stakeholder Influence

Low</td><td>To be passively monitored:</td><td>To be actively engaged and managed:
SELEP/DfT
Local elected members;
Network Rail/Southeastern
Bus Operators through established partnerships;
Chatham town centre partnership;
Sustrans;
Fort Amherst Trust;</td></tr>
<tr><td>To be passively conciliated:

Local population</td><td>To be actively informed:
Parish Councils;
Local businesses, including those based in Chatham;
Physical Disability Board.</td></tr>
<tr><td></td><td colspan="2">Stakeholder Interest
Low High</td></tr>
</table>

Key political stakeholders are fully aware of the scope and nature of the scheme being developed and are fully supportive of investment in Chatham to enhance the urban realm, deliver growth and encourage sustainable transport.

Formal consultation will be commenced on elements of the package as soon as funding is confirmed and secured. The Portfolio Holder for Frontline Services will take an active part in this work. All consultation activities will be managed through Medway Council and will be closely coordinated with the project delivery programme.

8.1.8 Independent Technical Evaluators' sign off

8.1.9 The business case will be assessed by Steer Davies Gleave, the Independent Technical Evaluator appointed by the South East Local Enterprise Partnership.

APPENDIX A – Letter of Support from Southeastern

southeastern.

28th March 2018

Nikola Floodgate - Senior Transport Planner
Integrated Transport
Regeneration
Community and Culture Directorate
Medway Council
Gun Wharf
Dock Road
Chatham
Kent
ME4 4TR

Dear Nikola

Re: Medway Council Local Sustainable Transport Fund Bid

I am writing in support of Medway Council's Local Sustainable transport Funding bid.

Our company operates train services into London from Kent and East Sussex and carries more than 400,000 passengers a day on 2,000 different services including the high speed service to St Pancras. We are committed to delivering an environmentally responsible railway to our passengers and employees and this included promoting greener travel options for the journey to and from the station.

Network Rail and Southeastern have invested in many key stations during the current LSTF period, and will look to build on this success by working with Medway to improve stations in the Medway area. We are working in partnership with Medway to deliver a new station at Strood, with enhanced facilities for passengers and provide a gateway to the town and assist in the regeneration of Strood.

We are also pleased to work with Medway to create an improved transport interchange providing better visual links and an improved walking route between the bus interchange and the railway station. This will create a larger forecourt area and a gateway to Chatham, providing improved visual links with the town. This will enhance the forecourt and assist with encouraging more people to use rail and bus for their journeys to and from work, education and leisure.

These projects are in alignment with Southeastern's desire to support access to stations by sustainable travel, through the delivery of improved facilities and better transport integration at Stations.

Southeastern is pleased to support Medway's bid and looks forward to working with them to deliver the above schemes.

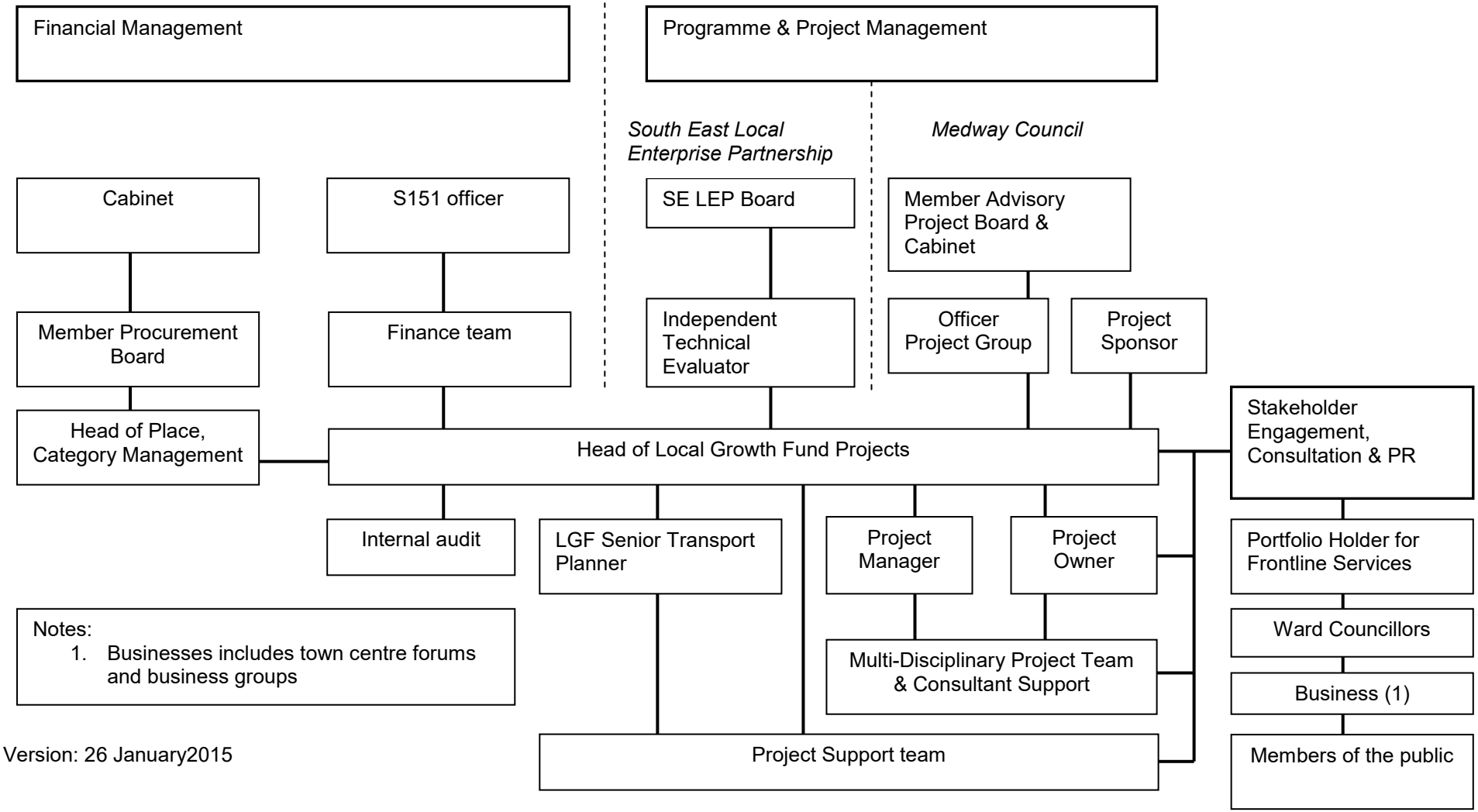
Yours Sincerely,

Wilma Allan

Wilma Allan
Finance and Contracts Director, Southeastern

Friars Bridge Court, 41-45 Blackfriars Road
London SE1 8PG www.southeasternrailway.co.uk

APPENDIX B - LOCAL GROWTH FUND – GOVERNANCE ARRANGEMENTS FOR LGF PROJECTS



Version: 26 January2015

APPENDIX C

Medway Council LGF Projects - Start and Delivery Milestones

Scheme name	Start date for funding release	Outline design commence	Detailed design complete	Acquisition of statutory powers complete	Procurement complete	Start of construction	Completion of construction
A289 Four Elms Roundabout to Medway Tunnel Journey time and Network Improvements	**Apr 2015**	Feb 2015	Mar 2016	Mar 2017	Sept 2017	Oct 2017	Dec 2018
Strood Town Centre Journey Time and Accessibility Enhancements	Apr 2015	**Apr 2015**	Sep 2016	n/a	Mar 2017	Apr 2017	Jun 2018
Chatham Town Centre Place-making and Public Realm Package - early public realm wks	Apr 2015	n/a	n/a	n/a	Mar 2015	**Apr 2015**	Oct 2016
Chatham Town Centre Place-making and Public Realm Package - masterplan wks	**Apr 2015**	Mar 2015	Dec 2015	n/a	Jun 2016	Jul 2016	Jul 2017
Medway Cycling Action Plan (package of measures)	Apr 2015	underway	In phases	n/a	n/a - term contractor	**Apr 2015**	Mar 2018
Medway City Estate Connectivity Improvement Measures – early interventions	Apr 2015	Jan 2015	Mar 2015	n/a	n/a – term contractor	**Apr 2015**	Mar 2016
Medway City Estate Connectivity Improvement Measures - package of measures	Apr 2015	**Apr 2015**	Sep 2016	Sep 2016	Mar 2017	Apr 2017	Mar 2018
Notes: 1: Dates in bold are key dates when funding confirmation and funding release is required.							

APPENDIX D - BREAKDOWN OF RESOURCES FOR LGF PROJECT WORKSTREAMS

Project name & workstreams	Project Owner	Workstream Leader	Project Manager	Senior Managem't
Senior Management				
Project Sponsor				AD – FLS
Programme Manager				HLGF
Senior User				HIT
Project support				PO
A289 Four Elms Rbt to Medway Tunnel	HLGF		PTP	
Highway capacity improvement		HIT	PTP/PO	
Strategic links to major development sites		PTP	PTP	
Strood Town Centre	HLGF			
Traffic management		TM	PTP/PO	
Pedestrian accessibility		RSM		
Cyclist accessibility		STOO		
Public transport improvements		PTOM		
Strategic links to major development sites		PTP		
Strood station		NR/SE	PTOM	
Chatham Town Centre Place-making & PR	HLGF			
Public realm including Civic Square		CRM	CRM	
Rail/bus highway alterations		PTOM	PTOM	
Chatham station forecourt		NR/SE	PTOM	
Medway Cycling Action Plan	HLGF			
Network improvements		PTOM	STOO	
Cycle hire		PTOM	STOO	
Other interventions		PTOM	STOO	
Medway City Estate connectivity imps	HLGF			
Anthony's Way junction improvement		HIT	PTP	
River taxi		PTP	PTP/PO	
Pedestrian and cycle network imps.		HIT	STOO	
Total				

KEY TO POST ABBREVIATIONS		
Post		**Post holder**
Assistant Director – Frontline Services	AD-FLS	Andy McGrath
Head of Local Growth Fund Projects	HLGF	Steve Hewlett
Principal Transport Planner (LGF Projects)	PTP	New post
Project Officer (LGF Projects)	PO	New post
Head of Integrated Transport	HIT	Ruth Du-Lieu
Transport Change Manager	TCM	David Tappenden
Traffic Manager	TM	Martin Morris
Road Safety Manager	RSM	Bryan Shawyer
Parking & Transport Operations Manager	PTOM	David Bond
Senior Transport Operations Officer	STOO	Darren Taylor
Chatham Regeneration Manager	CRM	Sunny Ee
Great Lines Heritage Park Project Officer	GLHP	Nicola Moy
Public Health Project Manager	PH	Scott Elliott
Head of Greenspaces	GS	Simon Swift
Network Rail/Southeastern	NR/SE	Stephen Diplock/Nina Peek